



DOCKET FILE COPY ORIGINAL

LINCOLN TELEPHONE COMPANY, INC.

Received & Inspected

OCT 18 2013

FCC Mail Room

October 1, 2013

MS. Marlene H. Dortch
Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

RE: WC Docket No. 10-90, Annual §54.313/54.422 Report of High-Cost and Low
Income Recipient, Form 481

Dear Ms. Dortch:

Enclosed herein is the annual report for Lincoln Telephone Company, Inc., Study Area
Code 482244 pursuant to §54.313/54.422 of the Commission's rules.

Also enclosed is one copy of this cover letter to be stamped and returned in the enclosed
self-address stamped envelope.

Please contact me with any questions at:

Phone: 406.362.4216

Email: ltc@lincotel.net

Sincerely,

Ken Lumpkin
Secretary/Treasurer/General Manager

Enclosures

Copies to:

Universal Service Administrative Company
Electronic Filing
Washington, DC 20036

Montana Public Service Commission
P. O. Box 202601
Helena, MT 59620

No. of Copies rec'd 0
LINA SCODE

"SERVING YOU SINCE 1921"

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**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0366/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 482244

<015> Study Area Name LINCOLN TEL CO INC

<020> Program Year 2014

<030> Contact Name: Person USAC should contact with questions about this data Kenneth Lumpkin

<035> Contact Telephone Number: 4063624216
Number of the person identified in data line <030>

<039> Contact Email Address: ltc@lincotel.net
Email of the person identified in data line <030>

Received & Inspected

OCT 18 2013

FCC Mail Room

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
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<100> Service Quality Improvement Reporting	(complete attached worksheet)	(check box when complete)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<410> Fixed 0.0				
<420> Mobile				
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<440> Fixed 0.0				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<510> 482244mt510	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<610> 482244mt610	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1010>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(100) Service Quality Improvement Reporting Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

482244

<010> Study Area Code

<015> Study Area Name

LINCOLN TEL CO INC

<020> Program Year

2014

<030> Contact Name - Person USAC should contact regarding this data

Kenneth Lumpkin

<035> Contact Telephone Number - Number of person identified in data line <030>

4063624216

<039> Contact Email Address - Email Address of person identified in data line <030>

lcc@linotel.net

<110> Has your company received its ETC certification from the FCC?

(yes / no) ☒ ☐

<111> If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC? \$54.202(a)

(yes / no) ☐ ☐

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets

<114> Report how much universal service (USF) support was received

<115> How (USF) was used to improve service quality

<116> How (USF) was used to improve service coverage

<117> How (USF) was used to improve service capacity

<118> Provide an explanation of network improvement targets not met in the prior calendar year.

(700) Price Offerings including Voice Rate Data
Data Collection Form

FCC Form 482

OMB Control No. 3050-0086/OMB Control No. 3050-0019
July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltc@linctel.net

1/1/2013	
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<701> Residential Local Service Charge Effective Date	1/1/2013
<702> Single State-wide Residential Local Service Charge	

[illegible]

**(718) Broadband Price Offerings
Data Collection Form**

FCC Form 481
OMB Control No. 3050-0986/OMB Control No. 3050-0519
July 2013

<010> Study Area Code 482244
 <015> Study Area Name LINCOLN TEL CO INC
 <020> Program Year 2014
 <030> Contact Name - Person USAC should contact regarding this data Kenneth Lumpkin
 <035> Contact Telephone Number - Number of person identified in data line <030> 4063624216
 <039> Contact Email Address - Email Address of person identified in data line <030> ltc@linctel.net

<711>

State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rate and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)

**(800) Operating Companies
Data Collection Form**

FCC Form 483

OMB Control No. 3060-0935 /OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltc@lincotel.net
<810>	Reporting Carrier	Lincoln Telephone Company, Inc.
<811>	Holding Company	N/A
<812>	Operating Company	N/A

[illegible]

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0966/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltcc@lincotel.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select (Yes, No, NA)	
	<921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
	<922> Feasibility and sustainability planning;
	<923> Marketing services in a culturally sensitive manner;
	<924> Compliance with Rights of way processes
	<925> Compliance with Land Use permitting requirements
	<926> Compliance with Facilities Siting rules
	<927> Compliance with Environmental Review processes
	<928> Compliance with Cultural Preservation review processes
	<929> Compliance with Tribal Business and Licensing requirements.

**(1300) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3050-0986/OMB Control No. 3050-0819
July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltcc@linctel.net

Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

(12100) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltc@linctel.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

482244mt1210

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒

<1222> Details on the number of minutes provided as part of the plan, ☒

<1223> Additional charges for toll calls, and rates for each such plan. ☒

(2006) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3050-0086/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	482244
<015>	Study Area Name	LINCOLN TEL CO INC
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039>	Contact Email Address - Email Address of person identified in data line <030>	ltc@lincotel.net

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification (47 CFR § 54.313(b)(1))
 <2011> 3rd Year Certification (47 CFR § 54.313(b)(2))

Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))

- <2012> 2013 Frozen Support Certification
 <2013> 2014 Frozen Support Certification
 <2014> 2015 Frozen Support Certification
 <2015> 2016 and future Frozen Support Certification

Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))

- <2016> Certification Support Used to Build Broadband

Connect America Phase II Reporting (47 CFR § 54.313(e))

- <2017> 3rd year Broadband Service Certification
 <2018> 5th year Broadband Service Certification
 <2019> Interim Progress Certification
 <2020>

Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

(3000) Rate of Return Carrier Additional Documentation
Data Collection Form

FCC Form 481
OMB Control No. 3060-3986/OMB Control No. 3000-0015
July 2013

<010> Study Area Code 482244

<015> Study Area Name LINCOLN TEL CO INC

<020> Program Year 2014

<030> Contact Name - Person USAC should contact regarding this data Kenneth Lumpkin

<035> Contact Telephone Number - Number of person identified in data line <030> 4063624216

<039> Contact Email Address - Email Address of person identified in data line <030> lcc@linctel.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

Progress Report on 5 Year Plan

(3010) Milestone Certification (47 CFR § 54.313(f)(1)(i))
Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(i), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

(3011) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))
Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) If yes, does your company file the RUS annual report
Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:
Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

(3012) PDF of Balance Sheet, Income Statement and Statement of Cash Flows
If the response is yes on line 3014, attach your company's RUS annual report and all required documentation
If the response is no on line 3014, Is your company audited?

(3013) If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:
Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications PDF of Balance Sheet, Income Statement and Statement of Cash Flows

(3014) Management letter issued by the independent certified public accountant that performed the company's financial audit.
If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:
Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers.

(3015) Underlying information subjected to a review by an independent certified public accountant
(3016) Underlying information subjected to an officer certification.
(3017) PDF of Balance Sheet, Income Statement and Statement of Cash Flows
(3018) Attach the worksheet listing required information

(3019) Name of Attached Document Listing Required Information

(3020) Name of Attached Document Listing Required Information

(3021) Name of Attached Document Listing Required Information

(3022) Name of Attached Document Listing Required Information

(3023) Name of Attached Document Listing Required Information

(3024) Name of Attached Document Listing Required Information

(3025) Name of Attached Document Listing Required Information

(3026) Name of Attached Document Listing Required Information

**Certification - Reporting Carrier
Data Collection Form**
**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013**

<010> Study Area Code 482244

<015> Study Area Name LINCOLN TEL CO INC

<020> Program Year 2014

<030> Contact Name - Person USAC should contact regarding this data Kenneth Lumpkin

<035> Contact Telephone Number - Number of person identified in data line <030> 4063624216

<039> Contact Email Address - Email Address of person identified in data line <030> ltc@lincotel.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients

I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.

Name of Reporting Carrier: LINCOLN TEL CO INC

Signature of Authorized Officer: CERTIFIED ONLINE

Date 10/01/2013

Printed name of Authorized Officer: Kenneth Lumpkin

Title or position of Authorized Officer: Secretary/Treasurer/General Manager

Telephone number of Authorized Officer: 4063624216

Study Area Code of Reporting Carrier: 482244

Filing Due Date for this form: 10/15/2013

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	482244
<015> Study Area Name	LINCOLN TEL CO INC
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Kenneth Lumpkin
<035> Contact Telephone Number - Number of person identified in data line <030>	4063624216
<039> Contact Email Address - Email Address of person identified in data line <030>	ltc@lincotel.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent or Employee of Agent:	
Signature of Authorized Agent or Employee of Agent:	Date:
Printed name of Authorized Agent or Employee of Agent:	
Title or position of Authorized Agent or Employee of Agent:	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

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Attachments

Lincoln Telephone Company, Inc.
482244

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OCT 18 2013

FCC Mail Room

Service Quality Standards and Consumer Protection Rules Compliance

Service Quality Standards

Lincoln Telephone Company, Inc. complies with service standards as promulgated in the Administrative Rules of the State of Montana 38.5.33, Telecommunications Service Standards.

Consumer Protection

Lincoln Telephone Company, Inc. complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rule to prevent identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on programs as required by their job functions.

Lincoln Telephone Company, Inc.
482244

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OCT 18 2013

Functionality in Emergency Situations

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Back-Up Power

Lincoln Telephone Company, Inc. has the following back up power capabilities:

Switch

Genband C15

48V DC Battery Rack 20 hour run time

AC Generator 500 Gallon Propane Fuel Tank 48 hour run time

Remote Central Office

Calix

48V DC Battery Rack 20 hour run time

AC Generator 500 Gallon Propane Fuel Tank 48 hour run time

Subscriber Carriers

Calix or AFC

48V Batteries 4 hour run time

Portable Gasoline Generators 8 hour run time

Network Interface Devices (NIDs)

Lincoln Telephone Company, Inc. has 911 customers with metallic (copper) connections to the Central Office and their NIDs are powered from the Central Office.

Lincoln Telephone Company, Inc. has 61 customers with non-metallic (fiber optic) connections to the Central Office. These customer's NIDs are battery powered in case of emergency. The batteries are rated to last 10 hours with no use and 6 hours with constant use.

Ability to reroute traffic around damaged facilities:

Lincoln Telephone Company, Inc. has built redundant facilities between its exchanges and / or to its connecting company / toll tandem. This redundant facility is in the form of a SONET ring with alternate physical facilities between Lincoln Telephone Company, Inc. and Vision Net, its interconnection to the Public Switched Telephone Network.

Capability to manage traffic spikes resulting from emergency situations

Lincoln Telephone Company, Inc. has 972 customers, switching capacity of 10,000 simultaneous calls, and transport capacity for 1,000 simultaneous calls. Lincoln Telephone Company, Inc. takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

July 2013

~~FCC Mail Room~~

Doing Business As Company or Brand Designation

Lincoln Telephone Company, Inc.
482244

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Terms and Conditions for Lifeline Consumers

Following is a copy of Lincoln Telephone Company, Inc. Lifeline Form that Lincoln Telephone mails to all postal patrons of our two exchanges semiannually, furthermore, Lincoln Telephone provides the Lifeline Form to service inquiries and new subscribers.

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers, as regular subscribers, have an unlimited number of local calling minutes as subscribed by their plan. As for toll, lifeline subscribers, similar to every Lincoln Telephone Company, Inc. subscriber, are free to choose their own toll usage plans through Interchange Carriers that serve Lincoln Telephone.



LINCOLN TELEPHONE COMPANY, INC.

LIFELINE FORM

☐ Initial Lifeline Enrollment

☐ Re-Verification of Lifeline Enrollment

PERSONAL INFORMATION

PLEASE FILL OUT THE FOLLOWING INFORMATION:

First Name: _____ Middle Initial: _____ Received & Inspected
 Last Name: _____ Birth Date: _____ OCT 18 2013
 Phone Number: _____ Social Security #: _____
 E-mail Address: _____ FCC Mail Room
 Residential Address (No PO Boxes, must be your physical address)
 Street Address: _____
 Name of Apt. Complex/Multi Resident Facility: _____
 Apt. No.: _____ Multi Resident Facility Room/Bed No.: _____
 City: _____ State: _____ Zip Code: _____
 This address is:
☐ Permanent ☐ Temporary ☐ Multi-household
 I share an address with another person(s) over the age of 18. However, they do not contribute to my household or share in the household expenses. ☐ Yes ☐ No (If yes, please complete the Household Worksheet on Page 2. If no, you can skip the Household Worksheet.)

ELIGIBILITY

QUALIFYING BENEFICIARY (Please complete if you or a dependent in your household is receiving benefits from one or more of the programs listed below.)

First Name: _____ MI: _____ Last Name: _____

PLEASE CHECK ALL THAT APPLY AND PRESENT DOCUMENTATION PROVING PROGRAM PARTICIPATION:

- ☐ Food Stamps (SNAP) ☐ Federal Housing Assistance (Section 8) ☐ Low Income Home Energy Assistance Program
☐ Supplemental Security Income (SSI) ☐ National School Lunch (Free Program Only) ☐ Medicaid
☐ Temporary Assistance for Needy Families
☐ Income qualification: Person's whose household income is at or below 13% of national poverty level qualify.

How many people are in your household? _____

Qualifying income per person:

(1) \$15,080 (2) \$20,426 (3) \$25,772 (4) \$31,118 (5) \$36,464 (Add \$5,346 for each additional person.)

TO QUALIFY BASED ON YOUR INCOME YOU MUST PROVIDE COPIES OF ONE OR MORE OF THE DOCUMENTS LISTED BELOW.

- 3 Consecutive Paystubs
- Social Security Benefits Statement
- Unemployment/Workers Compensation Benefits Statement
- Divorce Decree or Child Support Document
- Retirement/Pension Benefit Statement
- Veterans Administration Benefits Statement
- Prior Year's State or Federal Tax Return

CERTIFICATIONS

PLEASE READ AND ACKNOWLEDGE YOU AGREE BY INITIALING EACH STATEMENT BELOW:

- _____ I understand that Lifeline is a federal government benefit program and that only qualified person may participate in the program.
 _____ I understand that Lifeline is only available for one phone line per household, whether landline or wireless. To the best of my knowledge no one in my household is receiving Lifeline benefits.
 _____ I certify that I am at least 18 years of age and not currently receiving a Lifeline telephone service from any other landline or wireless telephone company. I understand that any violation of the one phone line per household limitation will result in de-enrollment from the Lifeline program and may be punished by fine or imprisonment.
 _____ I will not transfer my service to any other individual, including another eligible low-income consumer.
 _____ I understand that I will be required to recertify my eligibility for Lifeline service at least annually, and that failure to do so will result in termination of Lifeline benefits. I will notify Lincoln Telephone immediately if I no longer qualify.

_____ I will notify Lincoln Telephone within thirty (30) days if my home address changes. Failure to provide such notification may result in de-enrollment from the program.

_____ I understand that completion of this application and provision of documentation does not constitute immediate approval for Lifeline services.

HOUSEHOLD WORKSHEET

You have been asked to complete this Worksheet because you share an address with another person that may have, or be eligible for Lifeline services. This other person may not be a part of your household. Please answer the questions below to determine whether there is more than one household residing at your address.

1. Does your spouse or domestic partner (that is, someone you are married to or in a relationship with) already receive a Lifeline-discounted phone? (check no if you do not have a spouse or partner) ☐ YES ☐ NO
 - If you checked YES, you may not sign up for Lifeline because someone in your household already receives Lifeline. Only ONE Lifeline discount is allowed per household.
 - If you checked NO, please answer question #2.
2. Other than a spouse or partner, do other adults (people over the age of 18 or emancipated minors) live with you at your address?

A. A parent <input type="checkbox"/> YES <input type="checkbox"/> NO	D. An adult roommate <input type="checkbox"/> YES <input type="checkbox"/> NO
B. An adult son or daughter <input type="checkbox"/> YES <input type="checkbox"/> NO	E. Other <input type="checkbox"/> YES <input type="checkbox"/> NO
C. Another adult relative (such as a sibling, aunt, cousin, grandparent, grandchild, etc.) <input type="checkbox"/> YES <input type="checkbox"/> NO	

 - If you checked NO for each statement above, you do not need to answer the remaining questions. Please initial line B, below, and sign and date the worksheet.
 - If you checked YES, please answer question #3.
3. Do you share living expenses (bills, food, etc.) and share income (either your income, the other person's income or both incomes together) with at least one of the adults listed above in question #2? ☐ YES ☐ NO
 - If you checked NO, then your address includes **more than one household**. Please initial lines A and B below, and sign and date the worksheet.
 - If you checked YES, then your address includes only **one household**. You may not sign up for Lifeline because someone in your household already receives Lifeline.

- A. ☐ I certify that I live at an address occupied by multiple households.
- B. ☐ I understand that violation of the one-per-household requirement is against the Federal Communication Commission's rules and may result in me losing my Lifeline benefits, and potentially, prosecution by the United States government.

By signing below I am certifying that all information contained on this form and in my documentation is true and correct. I understand that if I knowingly provide false information in order to obtain Lifeline benefits that I will be guilty of perjury which is punishable by fines or imprisonment up to five years.

Signature: _____ Date: _____

Submit your completed form and your supporting documentation using one of the following methods:

Mail:
Lincoln Telephone
111 Stemple Pass Rd
Lincoln, Mt 59639

Fax: 406-362-4606

Drop off at the Lincoln Telephone office - 111 Stemple Pass Rd.

LINCTEL USE ONLY

Date Form and Document Received: _____ Customer SPID: _____

Specific Documentation Provided by Customer Supporting Eligibility: _____

Received & Inspected

OCT 18 2013

FCC Mail Room

Lincoln Telephone Company, Inc.
482244

RATE OF RETURN DATA (3005)

LINE 3017

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Lincoln Telephone Company, Inc. (Prepared with Audited Data)	
INSTRUCTIONS -Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2012	BORROWER DESIGNATION MT0525

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

Kenneth Lumpkin

4/24/2013

DATE

Received & Inspected

OCT 18 2013

FCC Mail Room

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	183,217	293,257	25. Accounts Payable	25,479	33,627
2. Cash-RUS Construction Fund	0	0	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	82,540	85,706	28. Customer Deposits	2,700	2,600
b. Other Accounts Receivable	103,907	89,940	29. Current Mat. L/T Debt	74,657	77,056
c. Notes Receivable	0	0	30. Current Mat. L/T Debt-Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat.-Capital Leases	0	0
a. Telecom, Accounts Receivable	0	0	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable	0	0	33. Other Taxes Accrued	16,866	16,129
c. Notes Receivable	0	0	34. Other Current Liabilities	298	298
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 thru 34)	120,000	129,710
6. Material-Regulated	37,390	31,240	LONG-TERM DEBT		
7. Material-Nonregulated	3,889	3,513	36. Funded Debt-RUS Notes	720,345	641,567
8. Prepayments	36,497	7,646	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	0	0	38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)	447,440	511,302	39. Funded Debt-Other	0	0
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan	0	0
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	0	0
a. Rural Development	0	0	42. Reacquired Debt	0	0
b. Nonrural Development	0	0	43. Obligations Under Capital Lease	0	0
12. Other Investments			44. Adv. From Affiliated Companies	0	0
a. Rural Development	787,185	789,731	45. Other Long-Term Debt	0	0
b. Nonrural Development	0	0	46. Total Long-Term Debt (36 thru 45)	720,345	641,567
13. Nonregulated Investments	40,917	35,230	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	0	0	47. Other Long-Term Liabilities	0	0
15. Deferred Charges	0	0	48. Other Deferred Credits	835,907	922,029
16. Jurisdictional Differences			49. Other Jurisdictional Differences	0	0
17. Total Noncurrent Assets (11 thru 16)	828,102	824,961	50. Total Other Liabilities and Deferred Credits (47 thru 49)	835,907	922,029
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	6,298,099	6,499,993	51. Cap. Stock Outstand. & Subscribed	2,450	2,450
19. Property Held for Future Use	0	0	52. Additional Paid-in-Capital	0	0
20. Plant Under Construction	20,974	48,831	53. Treasury Stock	(2,240)	(2,240)
21. Plant Adj., Nonop. Plant & Goodwill	0	0	54. Membership and Cap. Certificates	0	0
22. Less Accumulated Depreciation	3,968,496	4,265,421	55. Other Capital	0	0
23. Net Plant (18 thru 21 less 22)	2,350,577	2,283,403	56. Patronage Capital Credits	0	0
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	1,949,657	1,926,150
	3,626,119	3,619,666	58. Total Equity (51 thru 57)	1,949,867	1,926,360
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)	3,626,119	3,619,666

Total Equity = 53.22% % of Total Assets

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

MT0525

PERIOD ENDING

December, 2012

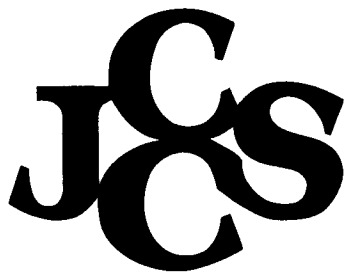
INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	212,125	205,224
2. Network Access Services Revenues	757,194	783,883
3. Long Distance Network Services Revenues	27,418	26,575
4. Carrier Billing and Collection Revenues	3,159	886
5. Miscellaneous Revenues	267,695	275,921
6. Uncollectible Revenues	20,090	2,216
7. Net Operating Revenues (1 thru 5 less 6)	1,247,501	1,290,273
8. Plant Specific Operations Expense	467,635	547,776
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	23,990	28,960
10. Depreciation Expense	337,876	302,036
11. Amortization Expense	0	0
12. Customer Operations Expense	95,528	168,432
13. Corporate Operations Expense	378,188	368,153
14. Total Operating Expenses (8 thru 13)	1,303,217	1,415,357
15. Operating Income or Margins (7 less 14)	(55,716)	(125,084)
16. Other Operating Income and Expenses	(2,298)	0
17. State and Local Taxes	(11,472)	50
18. Federal Income Taxes	(108,830)	(14,579)
19. Other Taxes	34,826	33,071
20. Total Operating Taxes (17+18+19)	(85,476)	18,542
21. Net Operating Income or Margins (15+16-20)	27,462	(143,626)
22. Interest on Funded Debt	2,335	36,059
23. Interest Expense - Capital Leases	0	0
24. Other Interest Expense	173	166
25. Allowance for Funds Used During Construction	0	0
26. Total Fixed Charges (22+23+24-25)	2,508	36,225
27. Nonoperating Net Income	5,592	2,888
28. Extraordinary Items	0	0
29. Jurisdictional Differences	0	0
30. Nonregulated Net Income	90,183	251,456
31. Total Net Income or Margins (21+27+28+29+30-26)	120,729	74,493
32. Total Taxes Based on Income	0	0
33. Retained Earnings or Margins Beginning-of-Year	1,926,928	1,949,867
34. Miscellaneous Credits Year-to-Date	0	0
35. Dividends Declared (Common)	0	0
36. Dividends Declared (Preferred)	0	0
37. Other Debits Year-to-Date	98,000	98,000
38. Transfers to Patronage Capital	0	0
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	1,949,657	1,926,360
40. Patronage Capital Beginning-of-Year	0	0
41. Transfers to Patronage Capital	0	0
42. Patronage Capital Credits Retired	0	0
43. Patronage Capital End-of-Year (40+41-42)	0	0
44. Annual Debt Service Payments	73,980	76,379
45. Cash Ratio [(14+20-10-11) / 7]	0.7053	0.8772
46. Operating Accrual Ratio [(14+20+26) / 7]	0.9782	1.1394
47. TIER [(31+26) / 26]	49.1376	3.0564
48. DSCR [(31+26+10+11) / 44]	6.2329	5.4040

USDA-RUS		BORROWER DESIGNATION MT0525	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2012	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		183,217	
CASH FLOWS FROM OPERATING ACTIVITIES			
2. Net Income		74,493	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3. Add: Depreciation		302,036	
4. Add: Amortization		0	
5. Other (Explain)			
Changes in Operating Assets and Liabilities			
6. Decrease/(Increase) in Accounts Receivable		10,801	
7. Decrease/(Increase) in Materials and Inventory		6,526	
8. Decrease/(Increase) in Prepayments and Deferred Charges		28,851	
9. Decrease/(Increase) in Other Current Assets		0	
10. Increase/(Decrease) in Accounts Payable		8,148	
11. Increase/(Decrease) in Advance Billings & Payments		0	
12. Increase/(Decrease) in Other Current Liabilities		0	
13. Net Cash Provided/(Used) by Operations		430,855	
CASH FLOWS FROM FINANCING ACTIVITIES			
14. Decrease/(Increase) in Notes Receivable		0	
15. Increase/(Decrease) in Notes Payable		0	
16. Increase/(Decrease) in Customer Deposits		(100)	
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(76,379)	
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		86,122	
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0	
20. Less: Payment of Dividends		(98,000)	
21. Less: Patronage Capital Credits Retired		0	
22. Other (Explain)			
23. Net Cash Provided/(Used) by Financing Activities		(88,357)	
CASH FLOWS FROM INVESTING ACTIVITIES			
24. Net Capital Expenditures (Property, Plant & Equipment)		(229,751)	
25. Other Long-Term Investments		3,141	
26. Other Noncurrent Assets & Jurisdictional Differences		0	
27. Other (Explain) Jurisdictional Defference		(5,848)	
28. Net Cash Provided/(Used) by Investing Activities		(232,458)	
29. Net Increase/(Decrease) in Cash		110,040	
30. Ending Cash		293,257	

Revision Date 2010



Junkermier • Clark
Campanella • Stevens • P.C.

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www.jccsca.com

Certified Public Accountants • Business Advisors

March 19, 2013

Received & Inspected

OCT 18 2013

Board of Directors
Lincoln Telephone Company, Inc.
Lincoln, Montana 59639

FCC Mail Room

Gentlemen:

We have audited the financial statements of Lincoln Telephone Company, Inc., for the years ended December 31, 2012 and 2011 and have issued our report thereon dated March 19, 2013. We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and 7 CFR Part 1773, Policy on Audits of Rural Utilities Service (RUS) Borrowers. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of Lincoln Telephone Company, Inc., for the year ended December 31, 2012 we considered its internal control structure in order to determine our auditing procedures for the purposes of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amount that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting that we consider to be a material weakness.

Section 1773.33 requires comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters. We have grouped our comments accordingly. In addition to obtaining reasonable assurance about whether the financial statements are free from material misstatements, at your request, we performed test of specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and additional matters tested include, among other things, the accounting procedures and records, materials control, compliance with specific RUS loan and security instrument provisions set forth in 7 CFR Part 1773.33(e)(2), and related party transactions and investments. In addition, our audit of the financial statements all included the procedures specified in 7 CFR Part 1773.38-45. Our objective was not to provide an opinion on these specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, or additional matters, and accordingly, we express no opinion thereon.

No reports other than our independent auditors' report and our independent auditors' report on compliance and the internal control over financial reporting, all dated March 19, 2013 or summary of recommendations related to our audit have been furnished to management.

Our comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters as required by 7 CFR Part 1773.33 are presented below.

COMMENTS ON CERTAIN SPECIFIC ASPECTS OF THE INTERNAL CONTROL OVER FINANCIAL REPORTING

We noted no matters regarding Lincoln Telephone Company, Inc.'s internal control over financial reporting and its operation that we consider to be a material weakness as previously defined with respect to:

- ♦ the accounting procedures and records;
- ♦ the process for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts; and
- ♦ the materials control.

COMMENTS ON COMPLIANCE WITH SPECIFIC RUS LOAN AND SECURITY INSTRUMENT PROVISIONS

At your request, we have performed the procedures enumerated below with respect to compliance with certain provisions of laws, regulations and contracts and grants. The procedures we performed are summarized as follows:

- ♦ Procedures performed with respect to the requirement for a borrower to obtain written approval of the mortgagee to enter into any contract for the operation or maintenance of property, for use of mortgaged property by others, or for services pertaining to toll traffic, operator assistance, or switching for the year ended December 31, 2012 of Lincoln Telephone Company, Inc.;
- ♦ Through inquiry, observation and analytical procedures we determined Lincoln Telephone Company, Inc., had not entered into any written contracts during the year for the operation or maintenance of its property, or for use of its property by others or for services pertaining to toll traffic, operator assistance, or switching as defined in Part 1773.33(e)(2)(i).
- ♦ Reviewed Board of Directors minutes to ascertain if there were any Board approved written contracts that were not disclosed to us.
- ♦ Procedure performed with respect to the requirement to submit RUS Form 479 to the RUS;
- ♦ Agreed amounts reported in USDA-RUS (form 479) annual report to Lincoln Telephone Company, Inc.'s records.

The results of our tests indicate that, with respect to the items tested, Lincoln Telephone Company, Inc., complied, except as noted below, in all material respects, with the specific RUS loan and security instrument provisions referred to below. The specific provisions tested, as well as any exceptions noted, include the requirements that:

- ◆ the borrower has not entered into any contract for the operation or maintenance of property, for the use of mortgaged property by others or for services pertaining to toll traffic, operator assistance, or switching as defined in 1773.33(e)(2)(i); and
- ◆ the borrower has submitted its Form 479 to the RUS and the Form 479, Financial and Statistical Report, as of December 31, 2012, represented by the borrower as having been submitted to RUS is in agreement with the Lincoln Telephone Company, Inc.'s audited records in all material respects.

COMMENTS ON OTHER ADDITIONAL MATTERS

In connection with our audit of the financial statements of Lincoln Telephone Company, Inc., nothing came to our attention that caused us to believe that Lincoln Telephone Company, Inc., failed to comply with respect to:

- ◆ the reconciliation of subsidiary plant records to the controlling general ledger plant accounts addressed at 7 CFR Part 1773.33(c)(1) except that the Company doesn't have up-to-date plant subsidiary records;
- ◆ the clearing of construction accounts and the accrual of depreciation on completed construction addressed at 7 CFR Part 1773.33(c)(2);
- ◆ the retirement of plant addressed at 7 CFR Parts 1773.33(c)(3) and (4);
- ◆ sales of plant, material, or scrap addressed at 7 CFR Part 1773.33(c)(5);
- ◆ the disclosure of material related party transactions, in accordance with Statement of Financial Accounting Standards No. 57, Related Party Transactions, for the year ended December 31, 2012 in the financial statements referenced in the first paragraph of this report addressed at 7 CFR Part 1773.33(e).

Our audit was made for the purpose of forming an opinion on the basis financial statements taken as a whole. The detailed schedule of investments required by 7 CFR 1773.33(i), and provided below, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

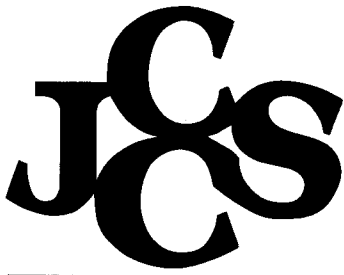
Non-marketable investment in Vision Net, Inc., a communications facilities leasing company. Lincoln Telephone Company, Inc. owns 5.4% of the company. The investment is accounted for using the cost method. The initial investment was \$415,000 with an additional investment of \$25,000 in 2001 and a stock dividend of \$11,389 in 2005, \$12,695 in 2006 and \$16,423 in 2007.

Board of Directors
March 19, 2013
Page 4

This report is intended solely for the information and use of the board of directors, management, the RUS and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Junkermier, Clark, Campanella, Stevens, P.C.

Bozeman, Montana



Junkermier • Clark
Campanella • Stevens • P.C.

Certified Public Accountants • Business Advisors

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INDEPENDENT AUDITORS' REPORT

Received & Inspected
OCT 18 2013
FCC Mail Room

Board of Directors
Lincoln Telephone Company, Inc.
Lincoln, Montana

Report on the Financial Statements

We have audited the accompanying balance sheets of Lincoln Telephone Company, Inc. as of December 31, 2012 and 2011 and the related statements of income and retained earnings, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statement based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Lincoln Telephone Company, Inc. as of December 2012 and 2011, and the changes in its financial status for the years then ended in conformity with U.S. generally accepted accounting principles.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 19, 2013 on our consideration of Lincoln Telephone Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lincoln Telephone Company's internal control over financial reporting and compliance.

Junkermier, Clark, Campanella, Stevens, P.C.

Bozeman, Montana

March 19, 2013

FedEx Package
Express US Airbill

FedEx
Tracking
Number

8020 3820 2430

1 From

Date 10/2/13

Sender's Name AEN LIMPIN

Phone 406 362-4216

Company LINCOLN TELEPHONE CO INC

Address 111 STEPLE RD

Dept./Room/Store/Room

City LINCOLN

State MT

ZIP 59439

2 Your Internal Billing Reference

3 To Recipient's Name Ms Marlene Dortch

Company Federal Communications Commission

Address 9300 East Hampton Drive

Dept./Room/Store/Room

Address

City Capitol Heights State MD ZIP 20743



0105734699

Form ID No. 0215

MUR 1

Recipient's Copy

4 Express Package Service

*To most locations

NOTE: Service order has changed. Please select carefully.

Packages up to 150 lbs.

For packages over 150 lbs., use the FedEx Express Freight US Airbill.

Next Business Day

2 or 3 Business Days

☐ FedEx First Overnight

Earliest next business morning delivery to select locations. Friday shipments will be delivered on Monday unless SAT/ODN Delivery is selected.

☐ FedEx Priority Overnight

Next business morning. Friday shipments will be delivered on Monday unless SAT/ODN Delivery is selected.

☒ FedEx Standard Overnight

Next business afternoon. Saturday Delivery NOT available.

☐ FedEx 2Day AM

Second business morning. Saturday Delivery NOT available.

☐ FedEx 2Day

Second business afternoon. Thursday shipments delivered on Monday unless SAT/ODN Delivery is selected.

☐ FedEx Express Saver

Third business day. Saturday Delivery NOT available.

5 Packaging

*Declared value limit \$500

☒ FedEx Envelope*

☐ FedEx Pak*

☐ FedEx Box

☐ FedEx Tube

☐ Other

6 Special Handling and Delivery Signature Options

☐ SATURDAY Delivery

NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.

☐ No Signature Required

Package may be left without obtaining a signature for delivery.

☐ Direct Signature

Someone at recipient's address may sign for delivery. Fee applies.

Does this shipment contain dangerous goods?

☒ No

☐ Yes

One box must be checked.

☐ Yes

☐ Yes

☐ Yes

☐ Yes

☐ Yes

☐ Yes

☐ Yes

☐ Yes

☐ Yes

7 Payment Bill to:

☒ Sender

☐ Recipient

☐ Third Party

☐ Credit Card

☐ Cash/Check

☐ Obtain recip.

☐ Act. No.

☐ Credit Card

☐ Cash/Check

☐ Obtain recip.

☐ Act. No.

☐ Credit Card

*Our liability is limited to US\$100 unless you declare a higher value. See the current FedEx Service Guide for details.

611

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802038202430

Ship (P/U) date :
Wed 10/02/2013 4:36 pm
LINCOLN, MT US



Delivery exception
CROFTON, MD


Estimated delivery :
N/A
MD US

Received & Inspected
OCT 18 2013
FCC Mail Room

Travel History

Date/Time	Activity	Location
- 10/14/2013 - Monday		
10:24 am	Shipment exception Undeliverable package	CROFTON, MD
- 10/11/2013 - Friday		
5:30 pm	Delivery exception Business closed - No delivery attempt	CROFTON, MD
5:24 pm	Delivery exception Business closed - No delivery attempt	CROFTON, MD
5:24 pm	At local FedEx facility	CROFTON, MD
12:15 pm	Delivery exception Business closed - No delivery attempt	CROFTON, MD
12:15 pm	At local FedEx facility	CROFTON, MD
9:36 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
9:36 am	At local FedEx facility	CROFTON, MD
8:05 am	At local FedEx facility	CROFTON, MD
- 10/10/2013 - Thursday		
9:53 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
9:53 am	At local FedEx facility	CROFTON, MD
7:30 am	At local FedEx facility	CROFTON, MD
- 10/09/2013 - Wednesday		
9:41 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
9:41 am	At local FedEx facility	CROFTON, MD
7:22 am	At local FedEx facility	CROFTON, MD
- 10/08/2013 - Tuesday		
12:24 pm	Delivery exception Business closed - No delivery attempt	CROFTON, MD
9:40 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
9:39 am	At local FedEx facility	CROFTON, MD
7:42 am	At local FedEx facility	CROFTON, MD
- 10/07/2013 - Monday		
9:00 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
- 10/05/2013 - Saturday		
9:00 am	Delivery exception Business closed - No delivery attempt	CROFTON, MD
- 10/04/2013 - Friday		

9:00 am	Delivery exception	CROFTON, MD
	Business closed - No delivery attempt	
- 10/03/2013 - Thursday		
12:20 pm	Delivery exception	CROFTON, MD
	Business closed - No delivery attempt	
10:35 am	At local FedEx facility	CROFTON, MD
9:59 am	Delivery exception	CROFTON, MD
	Business closed - No delivery attempt	
8:57 am	At local FedEx facility	CROFTON, MD
8:56 am	Delivery exception	CROFTON, MD
	Business closed - No delivery attempt	
7:41 am	At local FedEx facility	CROFTON, MD
6:20 am	At destination sort facility	BALTIMORE, MD
3:34 am	Departed FedEx location	MEMPHIS, TN
12:32 am	Arrived at FedEx location	MEMPHIS, TN
- 10/02/2013 - Wednesday		
6:03 pm	Left FedEx origin facility	HELENA, MT
4:36 pm	Picked up	HELENA, MT

Local Scan Time 

Shipment Facts

Tracking number	802038202430	Service	FedEx Standard Overnight
Total pieces	1	Packaging	FedEx Envelope
Special handling section	Deliver Weekday		